

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF WEST OLDHAM UTILITIES,)	
INC. FOR A RATE ADJUSTMENT PURSUANT TO)	CASE NO.
THE ALTERNATIVE RATE FILING PROCEDURE)	92-277
FOR SMALL UTILITIES)	

O R D E R

On July 15, 1992, West Oldham Utilities, Inc. ("West Oldham") filed an application for Commission approval of a proposed increase in its rates for water service. West Oldham proposed rates for water service which would generate additional annual revenues of \$43,570, an increase of 30.09 percent.

In August 1992, the Commission Staff conducted a field review of West Oldham's test-period financial records. Based upon this review, Commission Staff issued a report on October 29, 1992 recommending an increase of \$34,421 in West Oldham's annual operating revenues for water service.

By Order dated October 29, 1992, the Commission advised West Oldham that comments on the Staff Report or requests for a public hearing must be submitted no later than November 13, 1992 or this case would stand submitted to the Commission for decision. West Oldham accepted Staff's recommendations and waived a formal hearing by letter dated November 2, 1992.

The Commission, after consideration of the evidence of record and being otherwise sufficiently advised, finds that:

1. The recommendations and findings contained in the Staff Report are supported by the evidence of record, are reasonable, and are hereby adopted as the findings of the Commission in this proceeding and are incorporated by reference as if fully set out herein.

2. The rates in Appendix A are the fair, just, and reasonable rates for West Oldham and will produce gross annual revenues of \$182,080 for water service based on adjusted test-year sales. These rates will allow West Oldham sufficient revenues to meet its operating expenses, and provide for future equity growth, including provisions for servicing its debt.

3. The rates proposed by West Oldham would produce revenue increases in excess of that found reasonable herein and should be denied upon application of KRS 278.030.

IT IS THEREFORE ORDERED that:

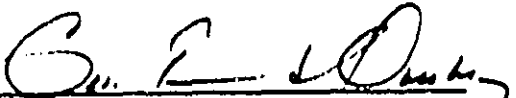
1. The rates proposed by West Oldham in its application are hereby denied.

2. The rates in Appendix A, which is attached hereto and incorporated herein, are approved for service rendered by West Oldham on and after the date of this Order.

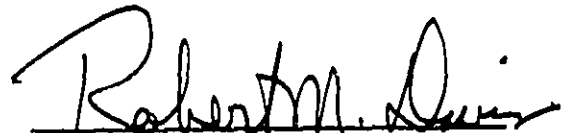
3. Within 30 days of the date of this Order, West Oldham shall file with the Commission its revised tariff setting out the rates approved herein.

Done at Frankfort, Kentucky, this 30th day of November, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-277 DATED November 30, 1992.

The following rates and charges are prescribed for the customers in the area served by West Oldham Utilities, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Service Charge

All metered general water service customers shall pay a service charge based on the size of meter installed. The service charge will not entitle the customer to any water.

<u>Size of Meter</u>	<u>Service Charge Per Month</u>
5/8"	\$10.00
1"	20.00
1-1/2"	30.00

Meter Rates

The following shall be the rate for consumption, in addition to the service charges provided for herein:

All water used per month	\$2.85 per 1,000 gallons
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